

Un-Audited Consolidated Financial Statement for the Period ended 31st March 2008

(All amounts in thousands of Ghana Cedis unless otherwise stated)

UN-AUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2008

	The Bank		The Group	
	2008	2007	2008	2007
Interest Income	6,944	5,309	6,967	5,317
Interest Expense	(3,989)	(2,658)	(3,986)	(2,655)
Net Interest Income	2,955	2,651	2,981	2,662
Commissions and Fees	1,566	1,106	1,565	1,162
Other Operating Income	1,594	1,385	1,919	1,401
Operating Income	6,115	5,142	6,465	5,225
Operating Expense	(3,600)	(2,831)	(3,667)	(2,903)
Charge For Bad and Doubtful Debts	(244)	(217)	(244)	(217)
Operating Profit	2,271	2,094	2,554	2,105
Other Income	1	-	62	23
Profit before Taxation	2,272	2,094	2,616	2,128
Taxation	(568)	(523)	(577)	(531)
Profit after Tax Transferred to Income Surplus Account	1,704	1,571	2,039	1,597

UN-AUDITED CONSOLIDATED INCOME SURPLUS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2008

Balance at 1st January	7,709	4,925	8,795	5,636
Net Profit Transferred from Profit & Loss Account	1,704	1,571	2,039	1,597
Transfer to Statutory Reserve Fund	(426)	(392)	(426)	(392)
Balance at 31st March	8,987	6,104	10,408	6,841
Earnings per Share (Ghana cedis per share)	0.0104	0.0098	0.0124	0.0100

UN-AUDITED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2008

ASSETS				
Cash and Balances with Bank of Ghana	21,309	11,679	21,309	11,679
Government Securities	39,846	29,563	40,024	29,865
Due From Other Banks and Financial Institutions	43,890	14,872	44,176	14,872
Investment in Other Securities	2,173	2,162	3,294	2,622
Loans and Advances	119,044	98,985	119,044	98,985
Investment in Subsidiaries	710	710	-	-
Other Assets	4,134	1,779	4,235	1,950
Taxation	50	36	69	48
Property and Equipment	12,442	7,833	12,468	7,839
TOTAL ASSETS	243,598	167,619	244,619	167,860
LIABILITIES				
Customers Deposits	131,739	91,867	131,298	91,749
Due to Banks and other Financial Institutions	5,356	2,882	5,356	2,882
Interest Payable and Other Liabilities	11,451	8,528	11,773	8,709
Borrowings	63,470	40,546	63,470	40,546
Deferred Taxation	835	862	835	862
TOTAL LIABILITIES	212,851	144,685	212,732	144,748
SHAREHOLDERS' FUNDS				
Stated Capital	8,109	7,219	8,109	7,219
Statutory Reserve Fund	7,868	6,329	7,868	6,329
Capital Surplus	5,783	3,282	5,502	2,723
Income Surplus	8,987	6,104	10,408	6,841
Total Shareholders Funds	30,747	22,934	31,887	23,112
TOTAL LIABILITIES AND SHAREHOLDERS' FUND	243,598	167,619	244,619	167,860

UN-AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2008

	2008	2007
Net Cash Flow from Operating Activities	833	(3,490)
Taxation		
Tax Paid	(612)	(606)
Net Cash flow before Investing Activities	221	(4,096)
Investing Activities		
Purchase of Property and Equipment	(996)	(620)
Proceeds from Sale of Property and Equipment	1	-
Investments in other securities	(162)	(265)
Bank's shares held by subsidiary	167	-
Net Cash Flow from Investing Activities	(990)	(885)
Net Cash flow before Financing Activities	(769)	(4,981)
Financing Activities		
(Repayment) / Increase in Borrowings	(1,857)	761
Proceeds from shares issued	101	76
Net Cash Flow from Financing	(1,756)	837
Decrease in Cash and Cash Equivalents	(2,525)	(4,144)
Analysis of Changes in Cash and Cash Equivalents		
Balance at 1st January	68,010	30,695
Net Cash flow	(2,525)	(4,144)
Balance at 31st March	<u>65,485</u>	<u>26,551</u>
Analysis of Cash and Cash Equivalents		
Cash and balances with Bank of Ghana	21,309	11,679
Due from banks and other Financial Institutions	44,176	14,872
	<u>65,485</u>	<u>26,551</u>

NOTES TO THE UN-AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2008

The accounting policies followed for the period ended 31st March 2008 are consistent with those followed in the annual financial statements for the year ended 31st December 2007.

RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2008	2007
Operating Profit before taxation	2,616	2,128
Items not involving cash flow:		
Depreciation	369	216
Profit on Sale of Property and Equipment	(1)	-
Charge for Bad and Doubtful Debts	244	217
Associated Company profit	(62)	(23)
Provision for Investment Loss	(30)	-
	<u>3,136</u>	<u>2,538</u>
Net Cash Inflow from Trading Activities		
Increase in Government Securities	(6,236)	(831)
Increase in Advances	(5,480)	(13,521)
Increase in Other Asset Accounts	(1,001)	(92)
Increase in Deposit & Current Accounts	13,612	6,716
Increase in Due to Other Banks	1,419	-
(Decrease)/Increase in Creditors/Accruals	(4,617)	1,700
Net Cash flow from Operating Activities	833	(3,490)

Earnings per share is based on 164,200,224 (2007: 160,244,363) ordinary shares in issue at the end of the balance sheet date.

Contingent Liabilities in respect of letters of credit and guarantees and indemnities not provided for in the financial statements amounted to GH¢40.35 million (2007: GH¢32.6 million).

No dividend has been recommended by the directors as at the balance sheet date

"The financial statements do not contain untrue statements, misleading facts or omit material facts to the best of our knowledge."

George V. Okoh
CHAIRMAN

Frank B. Adu Jnr
MANAGING DIRECTOR